

An Open Letter to Congressional Democrats on CAFTA-DR

April 20, 2005

In coming weeks, we will have an important opportunity to advance a deeply held conviction that many of us have worked for diligently over time: the consolidation of democratic governance, respect for human rights, and sustainable growth for our neighbors in Central America and the Caribbean. To that end, we ask you to support legislation to implement the trade agreement that the United States has negotiated with Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua.

Since the bitter days of the 1980's, Central America and the Dominican Republic have become democratically stable, and have undergone significant economic and social reform. This is a true legacy of Congressional Democratic leadership, which insisted upon democratic governance, full respect for human rights, and economic opportunity as the basis for long-term regional development and positive change.

Today, it is clear that this diagnosis was correct. From passage of the Caribbean Basin Initiative and its expansion and reauthorization, to demobilization and development assistance in the wake of civil wars in El Salvador, Guatemala, and Nicaragua, to support for the Alliance for Sustainable Development at the Miami Summit of the Americas in 1994, to the provision of massive assistance after Hurricane Mitch and the devastating earthquakes that followed, Democrats have consistently led the fight for US economic support for the region.

Central America is free from civil and regional conflict for the first time in years and the trade agreement is a logical outgrowth and culmination of the United States' relationship with the region that Democrats have fostered. The trade agreement, through its emphasis on disciplines in areas like government procurement, services, investment and dispute settlement, will reinforce democratic processes and rule of law in Central America, because its implementation depends on greater transparency and accountability in governance. This emphasis is timely, because opponents of democracy are increasingly active in countries like Nicaragua and there is no guarantee that the pendulum will not swing back toward authoritarianism at some point unless there is further support for democratic processes and institutions.

Of course, the trade agreement is not a panacea. It is insufficient on its own; much work in addition to trade and investment remains in Central America. Respect for human and workers' rights has improved dramatically, but is still not where it needs to be. Labor laws in the region, though generally good, are subject to inadequate enforcement. Environmental degradation brought on by traditional patterns of subsistence living and lack of economic opportunity is a significant concern. Reform and modernization of judicial and regulatory systems to increase transparency and efficiency are needed to complement the economic growth that is expected under CAFTA-DR. Gross income inequality remains.

Even so, the question is not whether labor and the environment are completely protected in Central America, or whether social conditions are perfect. They are not. The question, rather, is whether passage of the trade agreement, though not the entire answer, will improve those

conditions beyond where they would be in the absence of such an agreement. The answer to that is clearly yes. In addition, CAFTA-DR offers Democrats the opportunity to lead the effort to advance high-impact multilateral capacity building programs that will address pressing issues on a sustainable basis.

Finally, it is incumbent upon those who argue against passage of the agreement with Central America and the Dominican Republic to develop a politically realistic, and workable, alternative, that will be acceptable to the Central Americans and Dominicans themselves while opening markets to US products, services, and investment. To date, no such option exists.

Democratic leadership has helped secure an era of peaceful democracy, cooperation and growth in Central America. Now, at the logical conclusion of a generation of policy initiatives, it is not the time to abandon our friends.

Sincerely,

Harriet Babbitt - Fmr. U.S. Ambassador to the Organization of American States

James Bacchus - Fmr. Member of Congress; fmr. Chairman, Appellate Body of the WTO

Michael Barnes - Fmr. Chairman, House Western Hemisphere Subcommittee

Henry Cisneros - Fmr. Secretary, Housing and Urban Development; fmr. Mayor of San Antonio

Warren Christopher – Fmr. Secretary of State

Stuart Eizenstat - Fmr. Under Secretary of State; fmr. Deputy Secretary of the Treasury

Richard Feinberg - Fmr. Senior Director for Western Hemisphere Affairs, NSC

Sam Gibbons - Fmr. Chairman, House Ways and Means Committee

Anthony Harrington - Fmr. Finance Chair, DNC; fmr. U.S. Ambassador to Brazil

Don Johnson - Fmr. Member of Congress; fmr. Chief Textiles Negotiator, USTR

Harry Johnston - Fmr. Member of Congress

James Jones – Fmr. Chairman, House Budget Committee; fmr. U.S. Ambassador to Mexico

Luis Lauredo - Fmr. U.S. Ambassador to the Organization of American States

Kenneth (“Buddy”) MacKay – Fmr. Member of Congress; fmr. Special Envoy for the Americas

Charles Manatt - Fmr. Chairman, DNC; fmr. U.S. Ambassador to the Dominican Republic

Thomas (“Mack”) McLarty - Fmr. White House Chief of Staff; fmr. Special Envoy for the Americas

Robert A. Pastor - Fmr. Director of Latin American and Caribbean Affairs, NSC

Donald J. Planty - Fmr. U.S. Ambassador to Guatemala

Peter Romero - Fmr. Assistant Secretary of State for the Western Hemisphere

Ron Scheman - Fmr. U.S. Executive Director, Inter-American Development Bank

Ira Shapiro - Fmr. General Counsel and Ambassador, Office of the U.S. Trade Representative

Maurice Sonnenberg - Fmr. Vice Chair, National Commission on Terrorism; fmr. Chairman, Democratic House and Senate Council

Robert S. Strauss – Fmr. Chairman, DNC; fmr. Special Trade Representative

Alexander Watson - Fmr. Assistant Secretary of State for the Western Hemisphere